

REMARKS

Claims 1-93 are pending in this application. By this Amendment, claims 61 and 75 are amended.

Reconsideration and allowance in view of the following remarks are respectfully requested.

No new matter has been added by this amendment.¹

A. The 35 U.S.C. 103 Rejection Based on Levchin and Money

In the Office Action, claims 1-14, 16-21, 23, 24, 26-59, 61-73, 75-86 and 88-93 are rejected under 35 U.S.C. 103(a) as being unpatentable over Levchin et al. (USPN 7089208) in view of "Information Technologies for the Control of Money Laundering", September 1995 (hereinafter referred to as "Money"). Applicant traverses such rejection on multiple grounds as set forth below.

The features of claim 1 are set forth above.

Applicant respectfully submits, for the reasons set forth below, that the Office Action fails to establish a *prima facie* case of obviousness. As recited in Section 2142 of the MPEP, to establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art

¹ As Applicant's remarks with respect to the Examiner's rejections are sufficient to overcome these rejections, Applicant's silence as to assertions by the Examiner in the Office Action or certain requirements that may be applicable to such rejections (e.g., assertions regarding dependent claims, whether a reference constitutes prior art, whether references are legally combinable for obviousness purposes) is not a concession by Applicant that such assertions are accurate or such requirements have been met, and Applicant reserves the right to analyze and dispute such in the future.

reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 2 USPQ2d 1438 (Fed. Cir. 1991).

As set forth in M.P.E.P 706.02(j), 35 U.S.C. 103 authorizes a rejection where, to meet the claim, it is necessary to modify a single reference or to combine it with one or more other references. M.P.E.P 706.02(j) indicates that after indicating that the rejection is under 35 U.S.C. 103, the Examiner should set forth in the Office Action:

(A) the relevant teachings of the prior art relied upon, preferably with reference to the relevant column or page number(s) and line number(s) where appropriate,

(B) the difference or differences in the claim over the applied reference(s),

(C) the proposed modification of the applied reference(s) necessary to arrive at the claimed subject matter, and

(D) an explanation why one of ordinary skill in the art at the time the invention was made would have been motivated to make the proposed modification.

M.P.E.P 706.02(j) references the well known requirements of *Graham v. John Deere*. Further, M.P.E.P 706.02(j) notes that it is important for an Examiner to properly communicate the basis for a rejection so that the issues can be identified early and the Applicant can be given fair opportunity to reply.

As recited in the M.P.E.P., "To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." MPEP 706.02(j).

The rejection sets forth various alleged features of Levchin. Thereafter, on page 4, lines 6-10, the Office Action acknowledges deficiencies of Levchin. Specifically, the Office Action asserts:

Levchin does not explicitly teach wherein in such pushing, payee account number of the another customer, the payee, is transmitted over a network without account information of the first customer, the payor, wherein the pushing of funds, without account information of the first customer, is constituted by the payee not being provided with information such that the payor account is identifiable to the payee.

The Office Action then proposes to cure the acknowledged deficiencies of Levchin with the teachings of Money. That is, the Office Action, on page 4, lines 11-16, asserts:

Money teaches the concept of wire transfer mechanism (push-model), such that the **pushing of funds is done without account information of the payee** such that the payee cannot identify the payor account from which the funds are pushed (page 24, paragraphs I and 2, lines 1-20). Therefore, it **would have been obvious** to one of ordinary skill in the art at the time of the invention to **modify Levchin to include this feature for the obvious reason of keeping the sender's information confidential**.

(emphasis added)

Applicant maintains that the motivation provided in the Office Action fails to fairly support the proposed combination. Specifically, Applicant submits that the motivation is based on modifying Levchin to provide features that Levchin already possesses.

That is, Levchin in column 1, lines 1-40, describes features directly related to keeping the information of a person confidential. Specifically, Levchin describes:

In addition, the formalities of existing value exchange transactions can make them inefficient or difficult to complete. **For example, transferring money to another person's bank or other financial account may require one to know the person's account number**. That person may understandably be reluctant to divulge such information.

Thus, what is needed is a system and method for enabling value transfers without all the shortcomings of existing means and techniques. It would be desirable, for example, to allow a value exchange transaction to be conducted using a known or

common identifier of a person (e.g., electronic mail address, telephone number) **rather than other, more sensitive, information.**

(emphasis added)

Levchin goes on to describe that digital certificates and a public/private key arrangement may be utilized to protect such sensitive information. Accordingly, Applicant submits that the very basis for modifying Levchin is to provide Levchin with a feature that Levchin already possesses. Applicant respectfully submits that such clearly cannot support the applied 35 U.S.C. 103 rejection. More specifically, as set forth above, the motivation to combine is for the “reason of keeping the sender’s information confidential.” However, this is indeed one of the central concepts of the Levchin invention, as seen from the disclosure of Levchin set forth above.

Applicant notes the comments in the “Response to Arguments” on pages 13-14 of the Action. Therein, the Office Action asserts:

Applicant argues that the very basis for modifying Levchin is to provide Levchin with a feature that Levchin already possesses. Examiner respectfully disagrees. Levchin teaches that it is desirable to use known or common identifier of a person for value exchange (e.g. email address or telephone number) rather than other, more sensitive information, such as real account information. **What this means** is that raw account information (financial account information) is NOT used in the value exchange transaction. Rather, aliases or common identifiers such as email addresses and telephone numbers are used (col. 8, lines 31 through col. 9, line 19). **This does not necessarily mean that the identifier of the payor is not identifiable (confidential) to the payee since the payee may associate the particular email address or telephone number to a specific payor (col. 10, lines 66 through col. 11, line 2). Levchin does not teach that advantage of keeping the payor’s financial account information confidential as alleged by Applicant** (see also col. 10, lines 38-41 and col. 11, lines 33-38). Therefore, the motivation provided in the office action, is not taught or based on feature that Levchin already possesses.

(emphasis added)

Applicant submits that such comments, in and of themselves, reveal deficiencies of the motivation, and relatedly go to the essence of the rejection, which Applicant respectfully submits is flawed. Of particular note, such comments assert “Levchin does not teach that advantage of

keeping the payor's information confidential as alleged by Applicant." Applicant respectfully submits that the comments in general appear to be convoluting (1) keeping the identity of the payer confidential vis-à-vis (2) keeping information of the payer confidential. The Office Action sets forth a motivation based on "keeping the sender's information confidential."

For the reasons set forth above, Levchin clearly describes and appreciates such teaching of "keeping the sender's information confidential." Thus, Applicant submits that for the Office Action to then use the proposed incorporation (of such teaching) into Lerner (as motivation to combine) is simply misplaced and inappropriate.

Relatedly, as set forth above, Levchin teaches:

... **For example, transferring money to another person's bank or other financial account may require one to know the person's account number.** That person may understandably be reluctant to divulge such information.

... It would be desirable, for example, to allow a value exchange transaction to be conducted using a known or common identifier of a person (e.g., electronic mail address, telephone number) **rather than other, more sensitive, information.**

(emphasis added)

This teaching of Levchin is in sharp contrast to the Office Action's assertion on page 13, last line - page 14, line 3 of "Levchin does not teach that advantage of keeping the payor's financial account information confidential as alleged by Applicant." Indeed, Levchin appears to clearly teach advantages of keeping the payor's financial account information confidential.

Further, Applicant respectfully maintains that the disclosure of Money fails to support the 35 U.S.C. 103 rejection. As set forth above, the Office Action relies on the teachings on page 24 of Money. Therein, Money describes:

Often, as the payment order is reformatted for the next phase of the transfer, the bank will omit identification for earlier participants, such as the sender or intermediate banks. In the United States, the **originator's account number has generally been dropped from subsequent payment orders** to keep this information confidential. Some

foreign banks, if requested, will omit the name of the originator and merely state
“payable for our good customer.”

(emphasis added)

The teachings of Money go on to say (on page 24) that - under new regulations to take effect in 1996, identification of the originator and beneficiary is required and must travel with the message throughout the transfer.

Thus, Money is essentially describing that in the series of phases of the transfer - that at some point the originator's account number may be dropped. However, the claimed invention, as recited in claim 1, does not relate to a series of phases of a transfer. Rather, claim 1 relates to particular processing in which a command, for pushing of the funds, is accepted from a first customer to transfer funds from the first customer's account to another customer. That is, claim 1 recites:

accepting a command from a first customer to transfer funds from the first customer's electronic payment account to an electronic payment account of another customer; and

transferring the command to the at least one account system; and
the at least one account system **effectuating the commanded transfer of funds**, such effectuating of the commanded transfer of funds including a **pushing** of funds to the electronic payment account of the another customer, the electronic payment account of the another customer being the demand deposit account; and

wherein in **such pushing**, a payee account number of the another customer, the payee, is transmitted over **a network** without account information of the first customer, the payor; and

wherein **the pushing of funds**, without account information of the first customer, is constituted by the payee not being provided with information such that the payor account is identifiable to the payee.

(emphasis added)

Applicant submits that the features of claim 1 preclude the interpretation of the processing of claim 1 being performed over a series of phases, i.e., in one of which the account number is dropped. That is, claim 1 sets forth that the commanded transfer of funds is effected

by a pushing of funds. Applicant submits that the claim requires an association between the command from the first customer and the electronic payment account of the another customer, i.e., based on the respective association of each of (1) the command from the first customer and (2) the electronic payment account of the another customer vis-à-vis the claimed “pushing”. Applicant submits that the “phases” interpretation of Money simply does not teach such features. In other words, Money fails to teach or suggest a “pushing” of funds with the particulars, and the claimed interrelationship, as recited in claim 1.

Accordingly, Applicant maintains that the interpretation of the teachings of Money, as set forth in the Office Action, is strained and cannot fairly support the applied 35 U.S.C. 103 rejection.

Applicant notes the further comments set forth in the “Response to Arguments” on page 14, lines 6-8, of the Office Action. Therein, the Office Action asserts:

Applicant further argues that Money's description of omitting identification of sender involves series of phases of the transfer- that at some point originator's account number may be dropped. Examiner respectfully disagrees.

The Office Action sets forth such in support of the rejection. However, based on the text of Levchin set forth above, such assertion is simply not supported. The Office Action appears to disagree (as set forth above) with a very clear teaching of Money. Applicant requests clarification as to, in particular, what the Examiner “disagrees” with. Of further note, as to the basis of the rejection (and the reliance of Money), Applicant notes the assertion on page 14, lines 14-16. Therein, the Office Action asserts:

One of ordinary skill in the art would recognize that in a direct bank-to-bank transfer, the originating bank that issues payment order will omit the identification of the sender (starting or single phase).

Applicant maintains that such assertion is fully unsupported by the applied art. The Office Action is essentially asserting that the one of ordinary skill would have recognized a core teaching (relevant to Applicant's claimed invention) and then, the Office Action proposes that it would have been obvious to infuse such alleged known teaching into Money, and thereafter modify Levchin to include such teachings. Applicant respectfully submits that such analysis cannot fairly be supported under a fair interpretation of the applied art, and in particular cannot be supported under the analysis of *Graham v. John Deere*, as set forth above.

Relatedly, Applicant submits that the Office Action is inconsistently interpreting Levchin. That is, on page 14, lines 8-14, the Office Action asserts:

Money teaches that one transfer may pass through several banks before reaching the beneficiary's bank, separate payment orders necessary to the particular bank to bank transfer will contain different information. Often as payment order is reformatted for the next phase of the transfer, the bank will omit identification of the sender (page 23, last paragraph through page 24, paragraphs 1 and 2, lines 1-20). While this describes the possibility of involving several banks (intermediaries) in transferring funds, **it does not preclude direct bank-to-bank (i.e., without an intermediary bank).**

(emphasis added)

Thus, the rejection appears to rely on processing (of Levchin) in a direct bank-to-bank (i.e., without an intermediary bank) situation. However, as set forth above, the Office Action relies on the "series of phases of the transfer" over a number of banks - which results in the omission of the sender's information. Thus, Applicant submits that it is inappropriate for the Action to, on one hand, rely on a "one bank to one bank situation" (without an intermediary) - and on the other hand, rely on the transaction passing through a series of banks. The Office Action appears basically to be picking and choosing between mutually exclusive embodiments. Such clearly falls short of fairly supporting the 35 U.S.C. 103 rejection.

On page 14, lines 4-5, the Office Action asserts:

Furthermore, assuming, arguendo, that the Levchin already possesses this feature, Applicant has failed to point out any claim limitation that is not taught by Levchin.

This statement in the Office Action reveals further deficiencies of the analysis of the rejection. The Office Action appears to be convoluting the features that Levchin possesses to teach away from the proposed combination with Money (as relied upon in the Office Action) vis-à-vis the features that Levchin is omitting so as to teach the claimed invention.

Also, by the above assertion that “Applicant has failed to point out any claim limitation that is not taught by Levchin,” the Office Action appears to go against the very basis of the 35 U.S.C. 103 rejection. That is, Levchin is admitted, by the rejection, to fail to teach features of the claimed invention.

As articulated in the recent Federal Register guidelines:

Office personnel must provide an explanation to support an obviousness rejection under 35 U.S.C. 103. 35 U.S.C. 132 requires that the applicant be notified of the reasons for the rejection of the claim so that he or she can decide how best to proceed. Clearly setting forth findings of fact and the rationale(s) to support a rejection in an Office Action leads to the prompt resolution of issues pertinent to patentability. Examination Guidelines for Determining Obviousness Under 35 U.S.C. 103 in View of the Supreme Court Decision in *KSR International Co. v. Teleflex Inc.* Federal Register vol. 72, No. 195, Wednesday, October 10, 2007, page 57527.

For the various reasons set forth above, the present rejection simply fails to articulate sufficient findings of fact to support the rejection. Applicant submits the rejection recites conclusory statements, as well as inappropriate and inconsistent analysis, which cannot sustain an obviousness rejection. Applicant respectfully request that the rejections under 35 U.S.C. 103 be withdrawn.

Applicant also notes that MPEP 707.07(f) "Answer All Material Traversed" instructs the Examiner to clearly explain the Examiner's reasoning when responding to a traversal: "In order to provide a complete application file history and to enhance the clarity of the prosecution history record, an examiner must provide clear explanations of all actions taken by the examiner during prosecution of an application." The same section of the MPEP specifies the form of such an explanation: "The examiner must address all arguments which have not already been responded to in the statement of the rejection[2]...In bracket [2], *provide explanation as to non-persuasiveness.*" Therefore, entirely ignoring the arguments presented in traversal, or merely stating that the arguments are not persuasive, is not an adequate response to Applicant's traversal. These guidelines for responses to Applicant's arguments should be taken into consideration in many of the following discussions.

For the reasons discussed above, withdrawal of the rejection of claim 1 under 35 U.S.C. §103 is respectfully requested. Further, independent claims 43, 61, and 75 recite patentable subject matter at least for reasons similar to those set forth above with respect to claim 1.

The dependent claims recite patentable subject matter based on their dependencies on the respective independent claims, as well as for the additional features such dependent claims recite. Withdrawal of the 35 U.S.C. §103 rejection is respectfully requested.

B. The Further 35 U.S.C. 103 Rejections

In the Office Action, claims 60, 74, and 87 are rejected under 35 U.S.C. 103(a) as being unpatentable over Levchin in view of Money, as applied above, and further in view of Magness (USPN 6769605). Also, claims 15, 22, and 25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Levchin in view of Money, as applied above, and further in view of Drummond et al (USPN 7080036).

Applicant submits that the further modifications of Levchin based on the teachings of Magness and/or Drummond fail to cure the deficiencies of the rejection, as discussed above. That is, Applicant submits that even if it were obvious to further modify Levchin (as proposed modified by Money) based on the teachings of Magness and/or Drummond as asserted in the Office Action, which is not admitted by Applicant, such combination of applied art would still fail to fairly teach or suggest the claimed invention.

Applicant submits that such rejected dependent claims recite patentable subject matter for at least reasons similar to those set forth above, as well as the additional features such dependent claims recite.

Withdrawal of the 35 U.S.C. 103 rejection is requested.

C. Conclusion

For at least the reasons outlined above, Applicant respectfully asserts that the application is in condition for allowance. Favorable reconsideration and allowance of the claims are respectfully solicited.

For any fees due in connection with filing this Response the Commissioner is hereby authorized to charge the undersigned's Deposit Account No. 50-0206.

Should the Examiner believe anything further is desirable in order to place the application in even better condition for allowance, the Examiner is invited to contact Applicant's undersigned representative at the telephone number listed below.

Respectfully submitted,

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Date: 1/25/2011

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